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PRO HAC VICE APPLICATION PENDING

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA—WESTERN DIVISION

Shanan Guinn,

Plaintiff,

v.

The Walt Disney Company,

Defendant.

No.

Complaint For:

- (1) Breach of Implied Covenant of Good Faith & Fair Dealing**
- (2) Violation of Cal. Labor Code § 970**
- (3) Promissory Fraud**
- (4) Negligent Misrepresentation**
- (5) Promissory Estoppel**

INTRODUCTION

1
2 1. This action arises from an employment agreement between Plaintiff, Shanan Guinn,
3 and Defendant, The Walt Disney Company (“hereinafter “Disney”), wherein Disney made a formal
4 offer of employment to Ms. Guinn, which Ms. Guinn accepted. After Ms. Guinn gave notice of
5 resignation to her then-employer, BP, initiated return to the United States and, at the insistence of
6 Disney, took other action to her financial and professional detriment and necessary to undertaking
7 the contract, Disney rescinded the offer.
8

9 2. At all times during the formation and negotiation of the employment agreement,
10 Disney knew that in order to commence employment, Ms. Guinn would be required to resign from
11 her employment with BP, terminate her expatriate (“expat”) status and move back to the United
12 States, as she had been transferred to London pursuant to her employment agreement with BP.
13 Disney made that offer when it was at the same time facing substantial public and political
14 resistance over Disney’s response to a controversial Florida law.
15

16 3. At no time prior to rescinding the offer did Disney indicate to Ms. Guinn that the
17 position was at risk of being eliminated. Rather, Disney represented that, by accepting the offer,
18 Ms. Guinn would be “begin[ning] the next chapter of [her] career” with “a Company known
19 worldwide for wonder and imagination!”
20

21 4. As a direct result of Disney’s misrepresentations and bad faith conduct, Ms. Guinn
22 lost her job with BP, and moved back to the United States where she remains unemployed, and her
23 professional trajectory undermined. Ms. Guinn has suffered and will continue to suffer significant
24 compensatory damages, including lost compensation and lost benefits in an amount far exceeding
25 the jurisdictional limits of the Court.
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THE PARTIES

5. Plaintiff SHANAN GUINN is an adult individual and citizen of Washington, District of Columbia, with a principal residence in at 1107 C Street NE, Washington, D.C. 20002.

6. Defendant THE WALT DISNEY COMPANY (“hereinafter “Disney”) is a corporation registered in Delaware and a citizen of California, and is headquartered at 500 South Buena Vista Street, Burbank, California 91521-4016.

JURISDICTION AND VENUE

7. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1332(a)(1) because this action involves citizens of different states and the matter in controversy exceeds \$75,000.00, exclusive of interest and costs.

8. Venue is proper in the Central District of California pursuant to 28 U.S.C. § 1391(b)(1) because Disney is a citizen of the State of California and its principal place of business is located in this judicial district.

FACTUAL BACKGROUND

9. Ms. Guinn’s professional experience includes ten (10) years with BP p.l.c., and a diverse background in public service, including positions in the White House, United States Department of Defense, and United States Congress.

10. Ms. Guinn maintained employment with BP from 2011 to 2022, and held the following positions:

- (a) Senior Vice President, Business Communications & Internal Campaigns from 2019 to 2022;

- (b) Vice President of Communications & External Affairs for BP North Africa from 2018 to 2019;
- (c) Head of Strategy & Planning for Communications & External Affairs from 2011 to 2014; and
- (d) Director of U.S. Communications from 2011 to 2013.

11. In 2018, as a condition of her promotion to Vice President of Communications & External Affairs for BP North Africa, Ms. Guinn was relocated to London, United Kingdom, where she remained on expat status until June 2022.

12. Ms. Guinn's expat status was pursuant to her contract with BP only, and she otherwise remained a citizen of and domiciled in Washington, D.C., which is where she owns real property and maintains her primary residence.

Restructuring and New Leadership in Disney

13. In 2020, Disney experienced a significant change in leadership as Robert Chapek, assumed the role of Chief Executive Officer (CEO) of the Walt Disney Company in February 2020.

14. In December 2021, Disney hired Geoffrey Morrell for the newly created position of Chief Corporate Affairs Officer (CCAO).¹

15. Mr. Morrell reported directly to Disney CEO Chapek.

16. Mr. Morrell had oversight of various department teams, including Disney's Corporate Communications, Global Public Policy, Government Relations, Corporate Social Responsibility, and Environmental, Social and Governance teams.

¹ The Walt Disney Company, *The Walt Disney Company Names Geoff Morrell As Chief Corporate Affairs Officer* (Dec. 7, 2021), <https://thewaltdisneycompany.com/the-walt-disney-company-names-geoff-morrell-as-chief-corporate-affairs-officer-2/>.

1 17. Disney announced on April 5, 2022, the hire of Kristina Schake as the Executive
2 Vice President of Global Communications—a position in which she would report directly to Mr.
3 Morrell.

4
5 **Disney Recruits Ms. Guinn**

6
7 18. In March 2022, Disney also began recruiting Ms. Guinn for the position of Head of
8 Corporate Affairs Operations, in which role she would report to Mr. Morrell, her former supervisor
9 while at BP.

10 19. Though at all times Ms. Guinn was a U.S. citizen, she was living in London and
11 working for BP throughout the negotiations with Disney.

12 20. By letter dated March 28, 2022, (hereinafter “Offer Letter”) and e-mail dated March
13 29, 2022, Disney made a clear and unambiguous offer of employment to Ms. Guinn for the position
14 of Head of Corporate Affairs Operations. A true and correct copy of the Offer Letter and the March
15 29, 2022 e-mail communication are attached hereto and marked as Exhibit 1.

16
17 21. On April 1, 2022, Ms. Guinn expressly accepted, via e-mail, Disney’s offer of
18 employment.

19 22. At the behest of Disney, at the time she accepted employment, Ms. Guinn further
20 agreed that on April 4, 2022, she would give BP notice of her resignation. A true and correct copy
21 of the April 1, 2022 e-mail communications are attached hereto and marked as Exhibit 2.

22
23 23. Disney responded to Ms. Guinn’s April 1, 2022 e-mail with: “That is great to hear!
24 Welcome to the Disney Family [smiley face].” (Ex. 2).

25 24. In discussing Ms. Guinn’s start date with Disney, Disney was insistent that she begin
26 employment immediately, however, her employment contract with BP imposed a six-month notice
27 obligation prior to resignation.

1 25. Upon Disney's insistence, Ms. Guinn worked to renegotiate the terms of her
2 employment with BP and was able to reduce the notice period to only two (2) months; this meant
3 that she would remain working for BP until June 3, 2022, after which time she would relocate back
4 to the United States and move to Los Angeles in order to begin her new position with Disney on
5 June 6, 2022.

6 26. At no time did Disney indicate to Ms. Guinn that her employment was contingent
7 upon other persons being or remaining employed at Disney.

8 27. The reduced notice period caused Ms. Guinn to lose a bonus and additional year of
9 vesting in BP stock options, all of which was disclosed to Disney.
10

11
12 **Disney Faces Public Backlash for Response to Florida Law**

13 28. In March 2022, both prior to and during the negotiations between Ms. Guinn and
14 Disney, the Florida legislature passed House Bill (HB) 1557, Parental Rights in Education, which
15 came to be known as the "Don't Say Gay" law and has been criticized for being openly
16 discriminatory and controversial with respect to the LGBTQ+ community.
17

18 29. HB 1557 bans discussion or teaching about the LGBTQ+ community, and sexual
19 orientation or gender identity in schools.

20 30. Disney faced substantial backlash for its initial silence in response to HB 1557,
21 which was primarily directed at CEO Chapek.
22

23 31. On March 11, 2022, Mr. Chapek issued a written apology to Disney employees for
24 his lack of action in response to HB 1557.²

25
26 ² Deadline, *Bob Chapek's Toughest Test Yet: Disney's "Worst Week" Over 'Don't' Say Gay'*
27 *Response Could Lead To "Profound Change"* (Mar. 11, 2022),
28 <https://deadline.com/2022/03/disney-dont-say-gay-controversy-backlash-employees-bob-chapek-1234976469/>.

1 32. Despite Mr. Chapek's attempt to correct Disney's response to HB 1557, Disney
2 continued to face substantial criticism, especially from its own employees, including an organized
3 walkout on March 15, 2022.³

4 33. Florida Governor, Ron DeSantis, signed HB 1557 into law on March 28, 2022,
5 which Disney criticized, saying the bill should never have been signed into law; this was the same
6 date as Disney's Offer Letter to Ms. Guinn.

7 34. Florida politicians immediately began discussions to retaliate against Disney for its
8 criticism of HB 1557.

9 35. On March 31, 2022, a Florida Representative proposed the possibility that Florida
10 would repeal a law that gave Disney a tax advantage based on the district in which Disney's Walt
11 Disney World is located; the Florida legislature ultimately did repeal the law on April 22, 2022.

12 36. Disney thereafter made personnel changes, including the resignation of Mr. Morrell,
13 which was announced on April 29, 2022.⁴

14 37. Disney eliminated Mr. Morrell's position and immediately promoted Kristina
15 Schake to Senior Executive Vice President of Communications and Corporate Affairs to assume
16 Mr. Morrell's duties and responsibilities, on or about April 29, 2022.

17 38. On May 2, 2022, after learning of Mr. Morrell's departure, Ms. Guinn
18 communicated with Disney's Human Resources Department at which time she was given no
19 information that Mr. Morrell's departure could have any effect on her employment with Disney.
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25 ³ Deadline, *Disney Dissent Looks To Grow Over 'Don't Say Gay' As LGBTQ+ Staff Plan Walkouts*
26 *Starting Today* (Mar. 15, 2022), [https://deadline.com/2022/03/disney-dont-say-gay-walk-out-](https://deadline.com/2022/03/disney-dont-say-gay-walk-out-lgbtq-staff-bob-chapek-florida-1234979311/)
[lgbtq-staff-bob-chapek-florida-1234979311/](https://deadline.com/2022/03/disney-dont-say-gay-walk-out-lgbtq-staff-bob-chapek-florida-1234979311/).

27 ⁴ Deadline, *Geoff Morrell Out As Disney Communications Chief After Florida Fiascos; Kristina*
28 *Schake & Horacio Gutierrez To Split Role* (Apr. 29, 2022), [https://deadline.com/2022/04/disney-](https://deadline.com/2022/04/disney-geoff-morrell-exits-bob-chapek-communications-kristina-schake-horacio-gutierrez-1235013269/)
[geoff-morrell-exits-bob-chapek-communications-kristina-schake-horacio-gutierrez-1235013269/](https://deadline.com/2022/04/disney-geoff-morrell-exits-bob-chapek-communications-kristina-schake-horacio-gutierrez-1235013269/).

1 39. Rather, Human Resources asked various questions relating to Ms. Guinn's
2 resignation with BP and plan to relocate back to the United States.

3 40. At no time during employment negotiations nor at the time Ms. Guinn was offered
4 and then accepted employment did Disney ever indicate that her employment was contingent upon
5 or in any way at risk as a result of the dispute between Disney and the state of Florida.

6 41. At no time during employment negotiations nor at the time Ms. Guinn was offered
7 and then accepted employment did Disney ever indicate that her employment was contingent upon
8 or in any way at risk as a result of other personnel decisions at Disney.

9 42. On and after May 2, 2022, BP set into motion Ms. Guinn's return to the United
10 States, a necessary condition to the termination of her employment and provided no opportunity to
11 stop or halt that process.

12 43. On May 17, 2022, Disney rescinded the employment agreement with Ms. Guinn and
13 communicated that the position for which she was hired no longer existed.

14 44. Having already given notice of resignation to BP and in the active process of
15 returning to the United States, Ms. Guinn reiterated her interest in and commitment to employment
16 with Disney.

17 45. Ms. Guinn offered to postpone her start date in order to allow Disney time to
18 determine a different role for Ms. Guinn but Disney rejected that offer.

19 46. Ms. Guinn offered to travel to California to meet personally with Disney personnel,
20 but Disney rejected that offer.

21 47. Disney made no substantive efforts to find alternative placement for Ms. Guinn.

22 48. Upon Disney's rescission of the offer of employment, Ms. Guinn sought to retain
23 her employment with BP, but was only permitted to extend employment through June 30, 2022.

1 49. Though Ms. Guinn continued working remotely for BP through the end of June
2 2022, following what was negotiated to be her last day of employment with BP on June 3, 2022,
3 consistent with obligations attached to her expat status, Ms. Guinn was relocated back to the United
4 States where she remains presently and without employment.

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7 **Compensation and Benefits Promised to Ms. Guinn**

8 50. Disney's offer of employment included, *inter alia*, a substantial total compensation
9 package that included, in addition to base salary and insurance benefits, signing bonuses, relocation
10 benefits, participation in annual bonus and long-term incentive plans, the Disney benefits and
11 rewards program and the like, the specifics of which will be established at time of trial.

12 51. The terms of Ms. Guinn's employment reflect the lengthy discussions and
13 negotiations between Disney and Ms. Guinn, during which Disney understood that Ms. Guinn
14 would be required to make significant personal and financial sacrifices in order to join Disney.

15 52. Further, by requiring Ms. Guinn to terminate her employment prior to the agreed
16 notice period, Disney further understood that she would lose an earned bonus and annual stock
17 vesting.
18

19 53. Disney treated Ms. Guinn as a new hire from the date of the offer of employment,
20 which was evidenced even after the offer was rescinded, including various e-mails from Disney
21 directed at new hires and having Ms. Guinn work with Disney's executive placement firm to
22 explore post-termination employment opportunities.
23

24 54. At all times material hereto, Disney also knew that, had Ms. Guinn remained
25 employed with BP, she would have been retirement eligible on March 31, 2025, as a result of which
26 she would have realized substantial further economic benefits and which opportunity was lost with
27 the acceptance of employment with Disney.
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1 benefits, participation in annual bonus and long-term incentive plans, the Disney benefits and
2 rewards program and the like, the specifics of which will be established at time of trial.

3 62. On April 1, 2022, Ms. Guinn expressly accepted, via e-mail, Disney's offer of
4 employment. (Ex. 2).

5 63. Disney knew or should have known the position offered to Ms. Guinn was not
6 certain, as Disney was, at the very time it made the offer of employment, actively addressing issues
7 which impacted that department and its leadership, including Mr. Morrell.

8 64. At no time prior to soliciting and obtaining from Ms. Guinn her commitment of
9 employment, requiring her to effectuate an early termination from BP and initiating the action to
10 return to the United States did Disney indicate that her employment was conditional, uncertain, or
11 otherwise at risk.

12 65. Ms. Guinn relied upon Disney's representations as to the mutual agreement of
13 employment and terms in making the decision to accept Disney's offer of employment and in
14 resigning from BP, including negotiation of BP's required notice period from six (6) to two (2)
15 months.

16 66. Disney delayed notifying Ms. Guinn of the rescission of her employment until after
17 BP announced the termination of her employment, although Disney knew or should have known
18 prior to that time that her employment with Disney was at risk.

19 67. Upon Disney's rescission of the offer of employment, Ms. Guinn sought to continue
20 her employment with BP.

21 68. In that her employment termination had already been announced and the process to
22 return her to the United States was underway, Ms. Guinn was only permitted to remain in active
23 status with BP through June 30, 2022—the end of the month of her original agreed termination
24 date.

1 75. In making the offer of employment to Ms. Guinn, Disney knowingly misrepresented
2 the existence of work with the intention of influencing her to resign from BP and relocate from
3 London to California, in violation of Section 970 of the California Labor Code. Cal. Labor Code §
4 970(a).

5 76. Ms. Guinn reasonably relied upon Disney's representations, and as a result of the
6 same, terminated her employment with BP at significant financial and opportunity loss, and
7 relocated back to the United States.

8 77. Disney knew or should have known the position offered to Ms. Guinn was at risk or
9 might no longer exist at the time it was offered to her, as Disney planned to and did eliminate Mr.
10 Morrell's position and possibly other roles in response to the fallout over Disney's response to HB
11 1557 which was occurring contemporaneously with the employment negotiations.

12 78. Disney gave no indications that Ms. Guinn's employment was tied to or otherwise
13 contingent upon Mr. Morrell's or anyone else's ongoing employment or any changes in the
14 structure of the department.

15 79. Ms. Guinn relied upon Disney's representations as to the offer of and terms of her
16 employment in making the decision to accept Disney's offer of employment and in resigning from
17 BP, including negotiation of BP's required notice period from six (6) to two (2) months.

18 80. Further, Disney failed to timely notify Ms. Guinn of the rescission of the offer in a
19 manner that may have enabled her to mitigate losses.

20 81. As a direct result of Disney's conduct, Ms. Guinn has suffered and will continue to
21 suffer significant compensatory damages, including loss of income and employment benefits, as
22 well as physical harm, pain, suffering, inconvenience, mental anguish, loss of enjoyment of life,
23 and harm to her reputation, professional standing, and career.

1 well as physical harm, pain, suffering, inconvenience, mental anguish, loss of enjoyment of life,
2 and harm to her reputation, professional standing, and career.

3 WHEREFORE, for the foregoing reasons, Plaintiff Shanan Guinn, requests that the Court
4 grant the relief prayed for hereinafter.

5
6
7 **COUNT IV**

8 **NEGLIGENT MISREPRESENTATION**

9 91. The above paragraphs are incorporated as though each paragraph were set forth fully
10 herein.

11 92. The tort of negligent misrepresentation includes “the assertion, as a fact, of that
12 which is not true, by one who has no reasonable ground for believing it to be true.” Cal. Civ. Code
13 § 1710(2).

14 93. A company is liable for negligent misrepresentation when it makes an offer of
15 employment to fill the position, despite knowing the position will not be available. Civ. Code §
16 1572(4).

17 94. Disney negligently misrepresented that the position of Head of Corporate Affairs
18 Operations was available for hire when it made the offer of employment to Ms. Guinn despite
19 knowing that the position might thereafter no longer exist.

20 95. Even assuming Disney was unaware that its statements concerning the existence and
21 conditions of Ms. Guinn’s employment were false when made, it had a duty to promptly disclose
22 such information and/or new conditions to Ms. Guinn upon learning of the same, which Disney
23 failed to do.

24 96. Disney made untrue assertions about the availability and existence of the Head of
25 Corporate Affairs Operations position with the intention of inducing Ms. Guinn to enter into the
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1 employment contract and failed to timely notify Ms. Guinn of the same, in a manner that may have
2 enabled her to mitigate losses.

3 97. The availability and existence of the Head of Corporate Affairs Operations position
4 was a material fact which was intended to induce Ms. Guinn to accept the offer of employment and
5 resign from BP.

6 98. Disney gave no indications that Ms. Guinn's employment was tied to or otherwise
7 contingent upon Mr. Morrell's employment.

8 99. As a direct result of Disney's conduct, Ms. Guinn has suffered and will continue to
9 suffer compensatory damages, including loss of income and employment benefits.

10 WHEREFORE, for the foregoing reasons, Plaintiff Shanan Guinn, requests that the Court
11 grant the relief prayed for hereinafter.
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14
15 **COUNT V**

16 **PROMISSORY ESTOPPEL**

17 100. The above paragraphs are incorporated as though each paragraph were set forth fully
18 herein.

19 101. Under the doctrine of promissory estoppel, 'a promise which the promisor should
20 reasonably expect to induce action or forbearance on the part of the promisee or a third person and
21 which does induce such action or forbearance is binding if injustice can be avoided only by
22 enforcement of the promise.' *Toscano v. Greene Music*, 124 Cal. App. 4th 685, 692 (Cal. Ct. App.
23 2004).

24
25 102. By letter dated March 28, 2022, and e-mail dated March 29, 2022, Disney made a
26 clear and unambiguous offer of employment to Ms. Guinn for the position of Head of Corporate
27 Affairs Operations. (Ex. 1).
28

1 103. Disney's offer of employment included, *inter alia*, a substantial total compensation
2 package that included, in addition to base salary and insurance benefits, signing bonuses, relocation
3 benefits, participation in annual bonus and long-term incentive plans, the Disney benefits and
4 rewards program and the like, the specifics of which will be established at time of trial.

5 104. The terms of Ms. Guinn's employment reflect the lengthy discussions and
6 negotiations between Disney and Ms. Guinn, during which Disney understood that Ms. Guinn
7 would be required to make significant personal and financial sacrifices in order to join Disney.
8

9 105. On April 1, 2022, Ms. Guinn expressly accepted, via e-mail, Disney's offer of
10 employment. (Ex. 2).

11 106. Also in the April 1, 2022 e-mail, Ms. Guinn reported to Disney and in response to
12 the express request of Disney that on April 4, 2022, she would be giving her then-employer, BP,
13 notice of her resignation and would promptly commence the process to return to the United States.
14

15 107. Ms. Guinn relied upon Disney's promise of employment when she gave her then-
16 employer, BP, notice of her resignation and commenced the process to return to the United States.

17 108. Disney gave no indications that Ms. Guinn's employment was tied to or otherwise
18 contingent upon Mr. Morrell's employment or on the status of the department.

19 109. At the time Disney made the offer to Ms. Guinn, it knew the position was contingent
20 upon Mr. Morrell's employment, which was in jeopardy due to Disney's intended response to the
21 fallout over HB 1557, yet Disney did not communicate the same to Ms. Guinn.
22

23 110. It is both reasonable and foreseeable that Ms. Guinn would resign from her
24 employment with BP and relocate back to the United States for employment with Disney, as return
25 to the United States and relocation was a necessary condition of employment with Disney.

26 111. It is both reasonable and foreseeable that Ms. Guinn would suffer substantial
27 economic and professional harm as a result of the action of Disney.
28

(vi) Loss of income and benefits tied to her age and longevity that would have been received had employment with BP continued; and

(vii) The loss of the ability to recover the compensation and benefits of her employment with BP through the greater opportunity and benefits that could be realized at Disney and which was both an incentive and inducement to making the change;

(b) General compensatory damages under Cal. Civ. Code § 3333, including but not necessarily limited to, physical harm, pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, and harm to reputation;

(c) Double damages under Cal. Lab. Code § 972;

(d) Punitive damages, as appropriate;

(e) Costs and expenses of litigation including, as appropriate, attorney fees; and

(f) Such further legal and equitable relief as this court deems just and proper.

JURY TRIAL DEMANDED

Date: October 25, 2022

Respectfully submitted,

s/Chaka Okadigbo

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PRO HAC VICE APPLICATION PENDING

Attorneys for Plaintiff

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